



SIMPLOT PHOSPHATES LLC
(435) 789-7795

9401 NORTH HWY. 191

VERNAL, UTAH 84078

m/047/007

January 7, 2005

Mr. Doug Jensen
Environmental Scientist/Reclamation Engineer
Utah Division of Oil, Gas and Mining
Minerals Regulatory Program
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

RECEIVED
JAN 20 2005
DIV. OF OIL, GAS & MINING

RE: Bond Revision Information

Dear Mr. Jensen:

Please find enclosed a copy of the contractor demolition quote letter. This letter is from Juel Jordahl an estimating engineer for the company Tri Delta Iron and Metals and includes all structures on the property. Attached to the letter is a list of all the buildings and structures that were acknowledged. Mr. Jordahl's demolition bid is good for up to 3 years from the date on the letter. Unfortunately, there is no break out of the demolition work by building or category as requested.

The following is the responses to your questions given by phone.

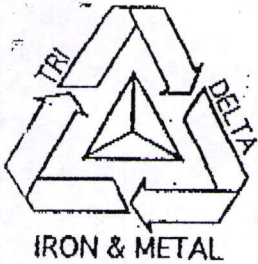
1. From the map what are the acreages of the two topsoil stockpile areas:
 - By the old Hot Start = 0.5 acres
 - By the Feeder = 0.1 acres
2. From the map what does the 250.3 acres include?
 - It includes all the disturbed and unreclaimed land including roads from the mine/shop area up to the current disturbance.
3. The projected disturbance for the next three years is.

| <u>Year</u> | <u>Acres</u> |
|-------------|--------------|
| 2005 | 32.3 |
| 2006 | 57.7 |
| 2007 | <u>50.3</u> |
| Total | 140.3 |

If you have any questions, please contact me at (435) 781-3348.

Sincerely,

John Spencer, P.E.
Environmental / Senior Mining Engineer
Simplot Phosphates LLC



TRI DELTA IRON & METALS

a division of tri delta engineering

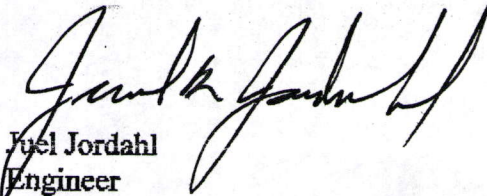
December 6, 2004

Mr. John Spencer
Simplot Phosphates LLC
9401 North Highway 191
Vernal, UT 84078

Mr. Spencer:

Tri-Delta Irons and Metals is pleased to provide you with this updated cost estimate for Demolition Services covering your entire site. The total estimate for building and concrete demolition and removal at the Simplot Phosphates Vernal Mine is \$407,500. This is for complete demolition and disposal at your site and includes all structures listed on the table provided by you and in place as of the date of our site inspection of September 16, 2004 (see attached list). This estimate is good for up to 36 months from today's date.

Should you have any questions please call (612) 750-4480



Joel Jordahl
Engineer

Tri Delta Iron & Metals
2710 South Shore Blvd.
Whitebear Lake, MN 55110

Buildings & Structures currently on site and included in the Demolition Bid

| Area | Buildings & Structures | Bldg Dimensions | | | Diameter/ Radius (ft) | Concrete Floor Volume (ft ³) | | | Notes |
|-------------|--------------------------------|-----------------|------------|-------------------------|--------------------------|--|--------|--------|-------------|
| | | Length (ft) | Width (ft) | Area (ft ²) | | 4" thk | 6" thk | 1' thk | |
| Mine | Shop/offices/warehouse | 173 | 61 | 10,653 | | | | 10,653 | |
| | Mine Oil Shed | 42 | 30 | 1,263 | | | 632 | | Replace/New |
| | Mine Fuel Storage | 42 | 18 | 744 | | | 372 | | |
| | Stacker Shed | 19 | 16 | 302 | | | 151 | | |
| | Feeder Breaker MCC | 20 | 15 | 314 | | | 157 | | |
| | Feeder Breaker tool Bldg | 17 | 15 | 262 | | | 131 | | |
| | Water Tank | | | | | | | | |
| SAG Mill | Sag Mill Bldg | 146 | 92 | 13,432 | | | | 26,864 | |
| | SAG Warehouse | 51 | 34 | 1,737 | | | | 1,737 | |
| | SAG Switch Gear | 31 | 14 | 438 | | | 219 | | |
| | SAG MCC | 39 | 31 | 1,210 | | | 605 | | |
| | Steady Head Tank | 100 | 23 | 2,247 | | | 1,123 | | |
| | Old Potable Water Bldg | 12 | 10 | 123 | | | 62 | | Demo? |
| | New Potable Water Bldg | 20 | 30 | 600 | | | 300 | | |
| | Apron Feeder Tunnel | | | | | | | 2,500 | |
| Main Office | Office/Lab/Warehouse | 260 | 64 | 16,625 | | | 12,469 | | |
| | Rubber Shop | 131 | 42 | 5,428 | | | 2,714 | | |
| | Electrical Shop | 103 | 52 | 5,312 | | | 2,656 | | |
| | Core Bldg | 37 | 33 | 1,224 | | | 612 | | Move? |
| | Old Office Bldg | 69 | 49 | 3,386 | | | 1,693 | | Demo? |
| | Security Bldg | 6 | 8 | 48 | | | 24 | | Demo? |
| | New Security Bldg | 14 | 25 | 350 | | | 175 | | |
| Mill | Hydrosizer Bldg | 104 | 31 | 3,194 | | | | 6,389 | |
| | Primary Flotation Bldg | 155 | 84 | 12,956 | | | | 25,913 | |
| | Pump Station | 99 | 84 | 8,338 | | | | 16,676 | |
| | Scavenger Grind | 151 | 96 | 14,521 | | | | 29,042 | |
| | Scavenger Flotation | 77 | 56 | 4,288 | | | | 8,575 | |
| | Scavenger Section MCC | 24 | 36 | 864 | | | | 1,728 | |
| | West TeePee | | | - | 20 | | | | Demo? |
| | East TeePee | | | - | 20 | | | | |
| | Conc. TeePee | | | - | 14 | | | 8,000 | |
| | Truck Scale | 75 | 20 | 1,500 | | | | 1,500 | |
| Tanks/Water | Scale House | 12 | 10 | 120 | | | 60 | | |
| | No. 1 Slurry Tank | | | - | 16 | | | 2,000 | |
| | No. 2 Slurry Tank | | | - | 16 | | | 2,000 | |
| | No. 3 Slurry Tank | | | - | 16 | | | 2,000 | |
| | No. 4 Slurry Tank | | | - | 10 | | | 970 | |
| | No. 5 Slurry Tank | | | - | 10 | | | 970 | |
| | Reclamation Water Tank | 100 | 50 | 5,000 | | | | 10,000 | |
| | Potable Water Bldg | 18 | 24 | 432 | | | 216 | | |
| | Ratlift Spring Bldg | 30 | 30 | 900 | | | 450 | | |
| | Water Well A | 12 | 10 | 120 | | | 60 | | |
| | Water Well B | 12 | 10 | 120 | | | 60 | | |
| | Water Well C | 12 | 10 | 120 | | | 60 | | |
| | Water Well D | 12 | 10 | 120 | | | 60 | | |
| | Water Well E | 12 | 10 | 120 | | | 60 | | |
| | Water Well H | 12 | 10 | 120 | | | 60 | | |
| | Water Well J | 12 | 10 | 120 | | | 60 | | |
| | Catch Dam Pumphouse | 12 | 14 | 168 | | | 84 | | |
| Misc | Electrical Substation by barge | | | 80 | | | | 80 | Pad Only |
| | 4893 Feeder Breaker/Wall | | | | | | | | |
| | 4894 Belt/Takeup/Transfer | | | | | | | 200 | Estimated |
| | 4896 Belt/Takeup/Transfer | | | | | | | 200 | Estimated |
| | 4895 Belt/Takeup/Transfer | | | | | | | 200 | Estimated |
| | 4892 Belt/Takeup/Transfer | | | | | | | 200 | Estimated |
| | 4891 Stacker | | | | | | | 400 | Estimated |